OJCS-498-74

1 6 APR 1974

MEMORANDUM FOR: Deputy Director for Management and Services

FROM : Director of Joint Computer Support

SUBJECT : Recommendations for an Automatic Data Processing Policy for the Agency

1. Action Requested. On 8 March 1974, you asked me to give you my thoughts and recommendations on some of the management and policy problems associated with Automatic Data Processing (ADP) in the Agency. I have arduously attempted to summarize these issues in this memorandum. I will be glad to furnish any additional information that you feel is necessary to help in your judgment of the recommendations contained in paragraph 4.

2. Background.

   a. Centralized Computer Service. The establishment of a centralized ADP organization, Office of Joint Computer Support (OJCS), in 1963, came about because of the generally accepted benefits resulting from the pooling of computer equipment and specialized technical personnel such as:

   -- better opportunity for professional development of computer personnel

   -- better utilization of equipment and personnel

   -- better standards and improved compatibility for computer systems

   -- reduced administrative costs

   -- better management control

   -- less opportunity for duplicative programming activities.

b. Service to the Customer. The major problems in the operation of a central computer service are concerned with planning the proper resources (equipment and personnel) and then allocating these to users in such a fashion as to keep the user satisfied. Users care little for the types of benefits mentioned in paragraph 2a. Their concern is with getting prompt, efficient support for their tasks when they want it. More often than not, users who have a substantial volume of data processing think they could handle the work better if they had their own computers and computer personnel. In this environment it is not an easy job for the computer service organization to keep all of the customers happy. During the past year, OJCS has encountered a number of factors that have adversely affected user support:

-- We eliminated the CRS computer and transferred CRS computer activities to OJCS.

-- There were numerous organizational changes, both Agency-wide and within OJCS, that increased computer processing requirements and complicated communications between OJCS and user organizations.

-- Reductions in OJCS personnel were made during FY 1974 which appear now to have been too severe. (Your approval on 8 March 1974 for OJCS to employ 22 people over ceiling has greatly assisted in reducing this problem.)

-- The 22% annual rate of increase in work load continued unabated.

c. Policy Issues. Any discussion or review of the OJCS computer organization and its operations inevitably surfaces three basic issues: a career service for computer personnel, the priority for jobs competing for computer processing resources, and the responsibility that the Office has in computer projects and activities conducted elsewhere in the Agency. I have had an opportunity to discuss these issues somewhat with people in OJCS and among the customers. I have formed a few opinions which are discussed in the following paragraphs.

d. An M(Z) Career Service. The Computer Career Service, M(Z), encompasses approximately[   ] Most of these people STATINTL work full time within OJCS, a few are detailed full time to user components using OJCS slots, and fewer still are assigned to slots of the user component. The OJCS ceiling accounts for one third of the Agency personnel

employed in ADP positions in such organizations as OD&E, OWI, ORD, OC, ISG, NPIC, CRS, etc. I believe an Agency-wide career service for systems analysts, programmers, and operators would provide better opportunities for professional development, more evenly handled promotions, and greater personnel motivation through rotation and reassignment. On the other hand, I am well aware of the political difficulties of implementing an Agency-wide ADP career service which would be looked upon by many as an empire building action. On balance, I believe it will be more productive to move slowly on this issue, taking advantage of such actions as the merger of CRS and ISG computer activities in OJCS and other special assignments where OJCS personnel are involved to expand the ADP career service concept.

   e. <u>Priorities for OJCS Resources.</u> As long as we apply prudent limitations to the staffing and the amount of computer equipment in OJCS, we will encounter situations where OJCS must determine how to apply its resources to competing requirements. A priority system is needed for this. We would like to see the user identify each job or computer project with a priority number that would help OJCS to allocate resources when a conflict between requirements arises. These priority numbers should be derived from the priorities shown in DCID No. 1/2, U.S. Intelligence Objectives and Priorities, with appropriate additional priorities for management and administrative functions which broadly support the intelligence objectives but are not identified directly with any one objective (see attachment). The Comptroller or the CIA Management Committee would be an appropriate action point for preparing the priority list and announcing the policy for applying it to computer requirements.

   f. <u>OJCS Responsibilities Concerned with Computer Projects or Activities in Other Components.</u> The OJCS coordination or approval role in computer activities of other components has varied with the times. Of late there has been considerable reduction in the OJCS involvement because of reorganizations and a shift in policy which has placed approval authority for major ADP proposals at the Deputy Director level instead of the Executive Director Comptroller. The Comptroller has also eliminated his ADP staff which had maintained a staff overview on Agency-wide ADP activities and major proposals for ADP procurement. Presently, there is no effective written policy which covers this issue. You will recall that we have proposed and the DCI has approved an objective for the DDM&S and the Comptroller to publish a Headquarters Regulation setting forth policy, responsibilities, and procedures concerned with the approval of ADP proposals and the procurement of ADP equipment. As a minimum, I believe that major ADP proposals (including both equipment

and programming) should be coordinated with OJCS and that OJCS should be required to make comments on the proposal such as: suitability of the proposal to meet the need; technical shortcomings, if any, concerned with equipment, software, compatibility, or maintenance; proposed costs; and/or whether the job could be done by OJCS resources. This is not an ideal arrangement since any conflicts between the component making the proposal would have to be resolved at the Deputy Director level. Nevertheless, it would provide for some filtering that does not exist today.

3.   Benefits. The products and benefits that should be possible from action on these three issues are:

a.   A system of priorities for ADP services that can be understood by the customer and used by OJCS as an aid in resolving con- flicting resource requirements.
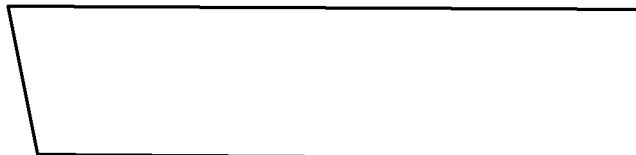
b.   A policy for gradual expansion of the ADP Career Service concept in order to develop technical skills, improve the utilization of personnel, and equalize career opportunities.

c.   An orderly procedure for major ADP procurement that provides appropriate review and approval steps to assure that procurement of equipment, software, and service is needed, cost-effective, and compatible with on-going systems.

4.   Recommendations. I recommend that you:

a.   Establish a group of three people with representation from the Comptroller, OJCS, and OL to prepare a draft of a Headquarters Regulation for coordination and approval of major proposals for ADP pro- curement.

b.   Obtain CIA Management Committee approval for identify- ing each computer requirement, job, or project with an ADP Priority Number (see attachment) to facilitate OJCS resource allocations.

STATINTL

HARRY E. FITZWATER
Director of Joint Computer Support

Attached: a/s

SUBJECT: Recommendations for an Automatic Data Processing
Policy for the Agency

APPROVED: _____   _____
                                                 Date

DISAPPROVED: _____   _____
                                                 Date

Distribution:
 O+1-DD/M&S
 1-OJCS Registry
 1-O/D/OJCS subj file (return to OJCS)
 1-O/D/OJCS chrono

ATTACHMENT

ADP PRIORITIES

The following ADP Priorities consolidate the U.S. Intelligence Objectives and Priorities as indicated in DCID 1/2 and add priorities for administrative and management functions that cannot be directly associated with a single intelligence objective.

Users will identify all system analysis, programming, and processing requirements submitted to OJCS with the appropriate ADP Priority. Users are referred to DCID 1/2 Section B which provides the U.S. Intelligence Priority assigned to intelligence objectives by country. This will provide the U.S. Intelligence Priority from which the ADP Priority is derived.

The ADP Priority will be used by OJCS as an aid to resolution of priority conflicts in the allocation of ADP resources.

ADP Priority	U.S. Intelligence Priority	Definition
1st	1st	Intelligence vital to U.S. national survival; forms basis for the most crucial U.S. security/policy decisions.
2nd	2nd	Intelligence of critical importance to U.S. security/policy interests; required for key foreign policy decisions and for planning defense of U.S. and countries vital to U.S. interests.
	3rd	Intelligence of major importance to U.S. security/policy interests.
3rd	4th	Intelligence of considerable importance to U.S. security/policy interests; makes important contribution to U.S. foreign policy and defense planning and execution.

ADP Priority	U.S. Intelligence Priority	Definition
	5th	Intelligence of moderate importance to U.S. security/policy interests; makes moderately important contribution to U.S. foreign policy and defense planning and execution.
	6th	Intelligence of some importance to U.S. security/policy interests; contributes in a measurable way to U.S. policy planning and execution.
4th	7th	Intelligence of moderate interest for U.S. security/policy planning.
	8th	Intelligence of some interest to U.S. security/policy planning.
	Blank	An indication that the objective is not applicable to that particular country or that little or no intelligence beyond routine country team reporting is expected to be needed.
5th	--	Management and administrative applications that are Agency-wide in scope.
6th	--	Management and administrative applications that are Directorate-wide in scope.
7th	--	Management and administrative applications that are Office-wide in scope.

22 April 1974

NOTE FOR: Mr. Blake

SUBJECT : Management of Information Processing

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        I feel that ⬚ analysis is quite good, in that it brings some useful history into the picture, and it puts into focus some weaknesses in the current OJCS effort, particularly on the priority guidelines. I also feel that approval of the OJCS proposal is going to serve no useful purpose until and unless it is appropriately married to the ⬚ work on revising the regulation. Unless there is some logical agreement between DD/M&S and the Comptroller's office, there is no sense in going to the Management Committee.

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        In view of the fact that Bob has a unique background in this area, and works well with ⬚ I recommend that he be assigned to work on this problem, along with Harry Fitzwater's designated representative from OJCS. Unless it is considered crucial to have someone from Logistics at this point, I would hold to a three-man effort, with ⬚ having the "action responsibility" in terms of DD/M&S.

LJD

Att: DD/M&S 74-1367

STATINTL

18 April 1974

☐

    There are a couple of things about this paper that deserve some thought. The basic issue doesn't change from year to year, but the Agency has never found a way to deal with it satisfactorily. That issue is how to force management to focus on the basic question of whether a computer solution to a particular problem is necessary before it becomes a requirement levied on OJCS. In 1969 I wrote a memorandum which ultimately was signed by the Executive Director-Comptroller attempting to deal with this issue. A copy of the draft of that memorandum is attached. The memorandum was issued and ignored. If the addressees communicated its principles to subordinate echelons at all, they did it in different ways. There was never any follow through to develop and issue implementing instructions that would apply uniformly across the Agency. The memorandum has never been rescinded or superceded; it has simply been ignored. I remain convinced that the way to get some semblance of control over computer usage is through the application and enforcement of at least some of the concepts and principles put forth in that memorandum. Perhaps this is what should be offered for Management Committee review; it could then become the basis for the preparation of a suitable regulation. Alternatively, the regulation to be prepared could incorporate some of these principles and then it could be offered for Management Committee review and hopefully offset an exhaustive coordination process.

    The idea of a three-man committee to draft a regulation holds little appeal. One man should be assigned the task of writing the regulation with points of contact in the other components with principal interest to be sure that all of the right inputs are furnished. ☐ has been assigned STATINTL the task of preparing a regulation. His progress is less than satisfactory to him. His time has been usurped by activities in support of the ADD Group and the draft regulation is laying dormant. It's hard to see how that might have been avoided unless having a group of three might have permitted one of the others to carry on while Bruce is preoccupied. Whether DD/M&S approval of the OJCS recommendation would change that situation is a question. He STATINTL does not exert directive control over the activities of ☐ or anyone else in the Office of the Comptroller. I don't see what approval of the recommendation will accomplish that can't be accomplished without it. Someone has to take the initiative to follow through with whatever action has been started and needs still to be done. If approval of the recommendation will stimulate OJCS to take that initiative then the recommendation should be approved and we should take the initiative here to call the group together and get it started.

    I suppose the idea of priorities would be a useful tool for OJCS in the administration of its workload but the concept is nonetheless troublesome.

over---

-2-

The priorities as suggested are unrealistic in my view. Management and administrative applications cannot be relegated to the fifth priority; payrolls, budgets, some financial, personnel, and contract reports must be given a first order of priority. Separation of management and administrative applications into those which are Agency-wide, Directorate-wide, and Office-wide is artificial; a case can be made that virtually all of the M&S applications are Agency-wide even though they may be developed in response to a requirement of a particular Office. Where would SANCA fall, for example?

DCID 1/2 may be the wrong ~~the~~ basis for identifying priorities. Key Intelligence Questions or DCI objectives may be more relevant. On the other hand DCID 1/2 may be more stable and less subject to change. Without giving this a great deal more thought, unfortunately, I don't have a better idea. Perhaps the question of priorities should be dealt with as a part of the regulation which is to be drafted.

I think this paper requires further thought but if pressed for recommendation now, I would suggest that we respond to OJCS with a memorandum which says that we are proceeding to constitute the group of three representatives and assigning them the task of drafting an appropriate Headquarters Regulation for approval of the Management Committee. The regulation should incorporate some notion of priorities and should go beyond the limited subject of ADP procurement to include principles and procedures something like those included in the 1969 memorandum issued by the Executive Director-Comptroller. If you like I will attempt a memorandum to OJCS as outlined.

RHW

Att: DDM&S 74-1367

CONFIDENTIAL

MEMORANDUM FOR: Deputy to the DCI for National Intelligence
                      Programs Evaluation
                  Deputy Director for Intelligence
                  Deputy Director for Plans
                  Deputy Director for Science and Technology
                  <u>Deputy Director for Support</u>

SUBJECT   :   Management of Information Processing

REFERENCE   :   Memo dtd 3 Sep 69 to above from DCI;
                  Subject: ADP -- Management

    1.   The Director has requested that the Executive Director-
Comptroller take steps to strengthen the coordination and management
of information processing activities which use computing equipment.
As a beginning, I believe we should recognize that computers do not
exist in an environment unto themselves; they exist only because of
some need to use them as tools to solve a particular operational problem
or achieve a particular management objective. Our problem is not so
much with managing computers. Our problem is with managing the
activities which use them to ensure that there is a significant advantage
to be gained by their use. If we are able to exercise effective management
control over the uses to which computers are put, we will have some control
over the growth in numbers of computers and their escalating costs.

    2.   Decisions to use automatic data processing equipment to
solve a particular operational or management problem should be based
on a review of individual proposals in terms of:

        a.   The overall utility of the proposed application
    and its contribution to mission accomplishment and
    achievement of specific operational or management
    objectives.

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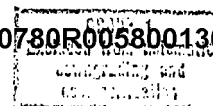
b.   The merits of a computer application in relation
to other possible solutions to the stated problem, that is,
the benefits to be derived in relation to greater return,
higher productivity, increased effectiveness and similar
elements of value.

c.   Life expectancy of the proposed system in
relation to the time required to implement it and the value
of the return expected.

d.   Relationship to and compatibility with other existing
or planned ADP activities and to overall program plans.

3.   In conducting this review, it should be borne in mind that
the Office of Computer Services, DD/S&T, is the central Agency
organization providing consultative, technical, and equipment support
to all Directorates.   While other components are not precluded from
developing or operating their own ADP facilities when it is shown to
be advantageous to the Agency for them to do so, the decision to acquire
major new facilities either inside or outside of OCS or to make major
changes to upgrade such facilities will require comprehensive study to
justify such a course and approval at the Executive Director-Comptroller
level.

4.   There are several benchmarks in the development of ADP
applications.   Responsible management judgment at the operating
component and Directorate level must be brought to bear as each of
these benchmarks is reached and a decision made about whether to
proceed to the next phase or seek some alternative 'solution.   Principal
benchmarks at which this review and decision making should take place
are:

a.   At the time the problem has been identified, the
objective stated, and a concept of a solution has been
developed.

b.   When the definition of the problem has been completed
and the feasibility of an ADP solution has been determined.

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c. When design specifications for the proposed system have been completed.

5. The talent and technical competence necessary to focus on these matters is scarce and cannot exist in every component of the Agency. Therefore, Information Processing Coordinators appointed by each Deputy Director should be charged with responsibility for:

a. Reviewing programs and plans to assist operating officials in identifying problems which may lend themselves to ADP solutions, and in developing concepts of systems to arrive at those solutions.

b. Assisting managers in identifying data and developing information necessary to permit them to exercise the judgments called for in paragraph 2 above.

c. Assisting managers in defining problems and offering guidance in the development of documentation necessary to support decisions which must be made as each of the bench-marks is reached.

d. Advising Deputy Directors on ADP matters generally and making specific program recommendations as appropriate.

6. The Information Processing Coordinators of the Directorates, with a chairman to be appointed by the Executive Director-Comptroller, will comprise the Agency Information Processing Board. The Board will meet at the call of the chairman or at the request of any of its members. The Board will be responsible for:

a. Assisting in the formulation of policy and planning guidance concerning CIA's information processing activities, both internally and as they relate to other agencies and to the intelligence community.

b. Reviewing proposed ADP applications *which have significant resource implications* at the time the first benchmark is reached to determine whether and to what degree it may duplicate or relate to other existing or planned ADP activities in other Directorates; to determine the need for compatibility with other activities in the Agency; and to suggest means by which compatibility may be achieved where there is a need.

c. Assisting as appropriate in determining what facilities or systems are to be used to solve particular problems.

d. Advising the Executive Director-Comptroller on ADP matters generally and offering specific recommendations as appropriate.

7. The Board will draw on the Information Processing Staff, O/PPB, and other individuals or components in the Agency as necessary to accomplish its mission. It should be recognized, for example, complete planning and budgeting for ADP applications require that attention be given during the early conceptual stages to requirements for support services and facilities. The Deputy Director for Support will, accordingly, establish a Technical Facilities Committee comprised of representatives of the Offices of Communication, Computer Services, Logistics and Security. This Committee will work closely with the Information Processing Board and each of the Directorates to consider the impact proposed applications may be expected to have on existing computer, space, communications and related facilities. Proposed applications will be identified to this Committee as soon as the decision to proceed has been reached at the first benchmark in order that the Committee will be in a position to assist in developing estimates of resource requirements for the programming and budget purposes.

L. K. White
Executive Director-Comptroller

MAJOR USERS OF OJCS RESOURCES BY OFFICE
FEBRUARY 1974 (%)

OFFICE	MANPOWER	OS	CP/CMS	ALL
OD&E	8	23	10	18
CRS	0	18	5	13
OF	13	12	1	11
O/DDM&S	8	13	1	10
OJCS	26	4	11	8
D/DCI	1	4	17	5
OWI	6	4	8	5
OP	12	1	4	4
OL	8	3	2	4
OSR	3	3	6	3

OJCS BATCH PROCESSING ACTIVITY
FEBRUARY 1974

JOBS PROCESSED: 17,855

MOST ACTIVE DAY: 5 FEBRUARY
                                           (1,277 JOBS)

TOTAL USERS: 300 (26 OFFICES)

RESOURCE CHARGE: $1,026,000

AVERAGE COST PER JOB: $54

PRINTING: 60,000,000 LINES

                1,800,000 ORIGINAL PAGES

                315 MILES OF CONTINUOUS FORMS

25X1

OJCS CP/CMS PROCESS ACTIVITY
FEBRUARY 1974

NUMBER OF TERMINAL SESSIONS: 13,457

AVERAGE SESSION: 30 MINUTES

MOST ACTIVE DAY: 26 FEBRUARY
                                 (996 SESSIONS)

TOTAL USERS: 400 (25 OFFICES)

RESOURCE CHARGE: $235,000

AVERAGE COST PER SESSION: $17

OJCS RESOURCE BILLING AS OF FEBRUARY 1974
($ 1000)

PERIOD	OS	CP/CMS	ALL
YTD FY-72	3,467 (100%)	1,621 (100%)	8,429 (100%)
YTD FY-73	5,372 (155%)	1,629 (100%)	10,278 (122%)
YTD FY-74	8,447 (244%)	1,909 (118%)	13,431 (159%)

NUMBER OF JOBS PER DAY = $\triangle$ 2.1 JOBS/DAY

CPU HOURS USED PER DAY = $\triangle$ .22 HRS/DAY (65)

CPU HOURS USED PER DAY = $\triangle$ .03 HRS/DAY (195)

24 JANUARY 1975

REMOTE TERMINALS CONNECTED
TO OJCS COMPUTER SYSTEMS

TERMINAL

	67	68	69	70	71	72	73	74	75	76	77

FISCAL YEARS

0	13	26	51	104	119	180	275	375	475	575
							6	18	50	150
							281	393	525	725

25X1

Next 6 Page(s) In Document Exempt

DD/A 74-1674

OJCS 1668-74

27 NOV 1974

DD/A Registry
File O+M 2-2

Colonel Kenneth R. Bland (Retired)
Vice President
EHK Enterprises
1830 Columbia Pike
Arlington, Virginia 22204

Dear Colonel Bland:

Thank you for your inquiry of 9 November 1974. The
Central Intelligence Agency is always interested in review-
ing new developments in the rapidly changing computer field.
On behalf of General Walters, I would like to invite you to
our headquarters in McLean, Virginia, to discuss your soft-
ware products. The appropriate operating officials of the
Office of Joint Computer Support will be available for any
presentation you might wish to make. Any information or   STATINTL
literature you could forward at this time would be helpful.

STATINTL   To arrange an appointment, please contact [   ]
[   ] Office of Joint Computer Support. Once again,
thank you for your interest.

Sincerely yours,

John F. Blake
Deputy Director
for
Administration

Distribution:
   0 - adse
   2 - DDA Chrono, Subject
   2 - O/D/OJCS
   1 - OJCS Registry   1 - ER

STATINTL

ORIGINATOR:

[   ]
~~Director of Joint Computer Support~~   11/23/74
                                                    Date

EHK ENTERPRISES "WABASH" Tape Products

1830 COLUMBIA PIKE, ARLINGTON, VA., 22204   PHONE: (703) 979-1105

November 9, 1974

Lt. General Vernon A. Walters
Deputy Director
CENTRAL INTELLIGENCE AGENCY
Washington, D. C.   20505

Dear General Walters,

　　During my 30 years of active duty with the Air Force,
I learned quite a bit about "Quality Assurance" of manufactured
products. With immodesty, my reputation is pretty high in this
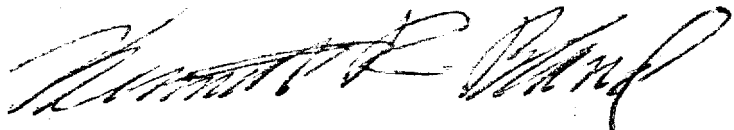area.

　　I now represent "WABASH". We manufacture magnetic computer
"software". It is, by far, the best product available, <u>anywhere</u>!

　　Our concept is that a Million manhours of effort is lost
if the information is lost on a faulty storage tape or disc.
Our "WABASH" computer software is the best available within the
state of the arts.

　　I believe that you have requirements for software products
which we, and only we, can fill!

　　I would appreciate an early opportunity to discuss our
"Wabash" products with your chief of procurement. Please have
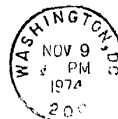him give me a call, or drop me a note.

　　　　　　　　　　Very sincerely yours,

　　　　　　　　　　KENNETH R. BLAND
　　　　　　　　　　Colonel, USAF (Ret)
　　　　　　　　　　Vice-President, EHK Enterprises

EHK ENTERPRISES
1830 COLUMBIA PIKE, ARLINGTON, VA., 22204

Lieutenant General Vernon A. Walters
Deputy Director
CENTRAL INTELLIGENCE AGENCY
Washington, D. C.   20505